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FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC 2982
INFO RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE
RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHAK/AMEMBASSY ANKARA 5318
RUEHBJQMEMBASSY BEIJING 3046
RUEHKO/AMEMBASSY TOKYO 2911
RUEHIT/AMCONSUL ISTANBUL 3562
RHMCSUU/CDR USCENCOM MACDILL AFB FL
RUEHVEN/USMISSION USOSCE 3623
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RHEHNSC/NSC WASHDC
RUEKJCS/SECDEF WASHDC
RUEKJCS/JOINT STAFF WASHDC

UNCLAS SECTION 01 OF 02 ASHGABAT 000760

SENSITIVE

SIPDIS

STATE FOR SCA/CEN; EEB
ENERGY FOR EKIMOFF/THOMPSON
COMMERCE FOR HUEPER

E.O. 12958: N/A

TAGS: [EPET](#) [PGOV](#) [EINV](#) [TX](#)

SUBJECT: TURKMENISTAN: DOE-SPONSORED PIPELINE WORKSHOP
REVEALS DIRECTION FOR FURTHER COOPERATION

[¶1.](#) (U) Sensitive but unclassified. Not for public Internet.

[¶2.](#) (SBU) SUMMARY: Post successfully assisted the Department of Energy in organizing a Pipeline Integrity and Management Workshop in Ashgabat on June 10-11. The workshop provided 25 largely mid-level technical representatives of the Turkmen oil and gas industry with information on the latest technologies in pipeline construction, operation, and maintenance presented by a professor from the UK-based Penspen engineering consulting company. The U.S.-Turkmenistan Business Council was a co-sponsor of the workshop. Chevron, ExxonMobil, KBR/Granherne, and UniversalPegasus also co-sponsored the event and sent their representatives to speak at the workshop. END SUMMARY.

TURKMEN GOVERNMENT SUPPORT EVIDENT

[¶3.](#) (SBU) The Government of Turkmenistan demonstrated its support for the workshop both during the planning stage and during the event. Deputy Minister of Oil and Gas Industry and Mineral Resources, Bayramgeldi Nedirow, personally coordinated the Turkmen participation in the workshop, delivered opening and closing remarks, and attended almost all of the sessions. Among other Turkmen participants were mid-level pipeline managers, engineers, and technical experts from the Ministry of Oil and Gas and Mineral Resources, Turkmen State Gas Concern, Turkmen State Oil Concern, Turkmen Oil and Gas Construction Concern, Turkmen Geology State Corporation, and the State Agency for Management and Use of Hydrocarbon Resources.

EVENT DRAWS MEDIA COVERAGE

[¶4.](#) (SBU) The workshop received broad media coverage here. Watan News, which is the principal state news program in Turkmenistan, aired a report on the workshop

and an interview with a U.S. Department of Energy official. The Turkmenistan TV Channel broadcast a ten minute program about the workshop that included interviews with two Department of Energy officials and a representative of the Universal Pegasus Company. Neytralny Turkmenistan published three articles covering various aspects of the workshop. Interestingly, the Watan News report portrayed the workshop as a "logical continuation" of the Turkmen Government-sponsored Pipeline Security Conference that was held in Ashgabat on April 23-24.

CHALLENGES OPENLY DISCUSSED AND REVEALED DURING SESSIONS

15. (SBU) The Turkmen participants were surprisingly open to discussions on the problems facing Turkmenistan's energy industry in terms of pipeline management. They assessed that a new national law was needed for the protection and exploitation of pipelines and that all existing standards and regulations should then be brought into compliance with that law. They also offered that Turkmenistan should study Western regulations and standards and draw on them as needed. The participants were vocal in stating that the sector needs new equipment, software, and expertise to design, build, maintain, and operate pipelines. They said they needed to be able to conduct risk assessment and other preventive measures and that industry experts should be trained in operating new equipment once it is procured. It also became obvious during workshop discussions that Turkmen technical operators do not have sufficient

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resources and training to identify qualified equipment suppliers. The participants frequently interrupted the presenters, asking which companies were capable of supplying a specific piece of equipment or software that was mentioned during a presentation. It should also be noted that, in his closing remarks, Deputy Minister Nedirov mentioned that the Turkmen oil and gas industry agencies were open to cooperation with the United States on the training of personnel.

CHALLENGES ALSO REVEALED ON THE MARGINS OF THE WORKSHOP

16. (SBU) Turkmen participants also voiced a number of concerns and challenges during conversations and discussions that took place on the workshop sidelines. The participants pointed out that Turkmen oil and gas engineers need specific technical and professional training to catch up to the latest technologies. Some complained that the sector is underfunded in terms of maintenance, spare parts, equipment, salaries, and training, despite the energy sector's role as the largest income generator in the country. They also mentioned that there is a lack of interaction, cooperation, and information exchange between the various government oil and gas agencies. Some commented that low- and mid-level personnel are very hesitant and often discouraged from making production improvement proposals to top managers, and there is no upward feedback mechanism.

17. (SBU) COMMENT: The workshop was a success and there is room to further strengthen cooperation in this field. The event not only provided the Turkmen participants with useful information, but also revealed the issues facing the Turkmen energy industry. It provided some insight on further cooperation between the U.S. and Turkmenistan in the energy sector. It looks like the Government of Turkmenistan would welcome additional training events like this that provide specific technical instruction and in-field, hands-on experience to Turkmen engineers. The U.S. Department of Energy's focus on a key issue in this workshop, combined with a generous helping of American commercial expertise, along with official Turkmen commitment, came together smoothly to give Turkmen

participants a very useful experience. END COMMENT.

MILES